

House Conservation, Forestry & Outdoor Recreation Committee

HB 5454

Testimony of State Representative Kevin A. Elsenheimer

December 1, 2005

Chairman Casperson and members of the House Conservation, Forestry & Outdoor Recreation Committee:

First and foremost, let me take this opportunity to thank you for allowing me to testify today before your committee on legislation which I have sponsored pertaining to the Michigan Forestry Initiative.

The current bill before you, House Bill 5454, amends Part 511 of the Natural Resources and Environmental Protection Act (NREPA) dealing with Commercial Forestry. The bill essentially makes three changes to the Commercial Forestry Program (CFP).

As most of you are aware, part of the conditions of enrolling property in the CFP is that the land be open to the public for hunting and fishing. Over the years, what the department of Natural Resources has discovered is that various participating parcels of land in the CFP are not accessible to the public. Therefore, the first change that this bill has on the program is the creation of a new process by which participating commercial forest land owners must notify the department as to the means of access that the public has to their property.

The second change has to do with the formula used to impose a monetary penalty on landowners for withdrawing their property out of the CFP. The current formula, which is assessed upon a timber cut over value per acre is rather complex and difficult to compute for both the landowner and local government. Under HB 5454, the formula would be based on the sum of the ad valorem general property taxes for the period of time the property was in the program, not to exceed 15 years. It is my understanding that this new formula would be more easily computable and is a welcomed change for both the landowner and taxing jurisdiction.

Lastly, the bill would eliminate the decennial adjustment formula for configuring future payment rates that property owners must pay to the local unit of government in lieu of taxes. Currently, this rate is \$1.10 per acre and under this bill the rate would stay at \$1.10 per acre.

Thank you for your time and attention. I would be happy to address any questions of the committee.